

AGENDA



Thursday, May 27, 2010

**Contract and Land Management
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 12

Subject: Authorize negotiation and execution of a 21 month and 18 day lease for approximately 2,167.66 square feet of office space for the Health and Human Services Department, for use as the Tobacco Prevention and Control Program office, located at 1106 Clayton Lane, Suites 204E and 215E, from TWIN TOWERS LTD. PARTNERSHIP, Austin TX, in an amount not to exceed \$74,067.39, with two (2) twelve (12) month extension options, in an amount not to exceed \$41,185.54 for each extension term, for a total amount not to exceed \$156,439.47.

Amount and Source of Funding: Funding in the amount of \$74,067.39 is available in the Fiscal Year 2009-2010 Operating Budget of the Health and Human Services Department Special Revenue Fund. The grant period is March 19, 2010 through March 18, 2012. Funding for the extension options is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Dean Harris 974-7061; Wilmia Perez 972-6216; April Thedford 974-7141.

Prior Council Action: September 5, 1985 - Council approved a lease at this building for the Austin Police Department; February 26, 1987 - Council approved additional space; October 20, 1988 - Council approved additional space; May 1990 - Council approved renewal; September 9, 1999 - Council approved renewal; December 2, 2004 - Council approved renewal; January 8, 2003 - Council approved additional space; March 23, 2006 - Council approved renewal; January 11, 2007 - Council approved renewal; June 21, 2007 - Council approved renewal; August 30, 2007 - Council approved renewal.

On April 22, 2010, Council approved an ordinance accepting \$7,473,150 from the U.S. Department of Health and Human Services (DHHS), Centers For Disease Control and Prevention (CDC) for federal funds for the Austin-Travis County Health and Human Services Department (HHSD) for the American Recovery and Reinvestment Act initiative, "Communities Putting Prevention to Work". The funding will allow for the advancement of public health across the lifespan of citizens in Austin and Travis County through promoting tobacco prevention and control in school, worksite, healthcare, community, faith-based, and retail settings. The City is adding nine full-time equivalent positions to implement the grant.

This agenda item is for the lease space for HHSD staff offices, and will be paid for by the grant. The proposed rate structure is not to exceed \$19 per square foot annually or \$3,432.13 monthly, including extension options, and includes operating expenses such as utilities, janitorial, maintenance, taxes and insurance as well as minor floor plan changes requested by the City. The initial term of the lease is anticipated to commence June 1, 2010, and will expire March 18, 2012.

All department grant application requests are reviewed by the Budget Office prior to submission to ensure that the grant minimizes the financial impact to the City.